

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2021-077-00368R

Parcel No. 181/00393-396-000

Mark Parks,

Appellant,

vs.

Polk County Board of Review,

Appellee.

Introduction

The appeal came on for written consideration by the Property Assessment Appeal Board (PAAB) on November 19, 2021. Mark Parks was self-represented and asked the appeal proceed without hearing. Assistant Polk County Attorney Jason Wittgraf represented the Board of Review.

Mark and Stephanie Parks own a residential property located at 1008 NW 39th Street, Ankeny, Iowa. Its January 1, 2021, assessment was set at \$263,400, allocated as \$52,200 in land value and \$211,200 in building value. (Exs. A & B).

Parks petitioned the Board of Review claiming the property's assessment was not equitable as compared with the assessments of other like property in the taxing district. Iowa Code § 441.37(1)(a)(1)(a) (2021). (Ex. C.) The Board of Review denied the petition. (Ex. B).

Parks then appealed to PAAB reasserting his equity claim. Iowa Code § 441.37(1)(a)(1)(a) (2021).

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

Findings of Fact

The subject property is a one-story home built in 2008. It has 1390 square feet of gross living area; a full basement with 1138 square feet of average-plus quality finish; one fireplace; a deck; and a two-car attached garage. The dwelling is listed in normal condition with a 3+00 grade (good quality). The dwelling receives 6% physical depreciation. The property is also improved with a shed built in 2013. The site is 0.232 and located in neighborhood pocket AK02/C1. (Ex. A).

The Parks purchased the subject property in 2008 for \$185,400. Since then they have added a fence, a shed, and basement finish. (Ex. A). They do not contest the land value but assert the dwelling value is higher than comparable homes and should be reduced to approximately \$205,200. (Appeal).

Parks identified twenty parcels in support of his claim, seven of which were identified in the protest to the Board of Review. (Exs. 1 & C). Exhibit 1 contains links to the Polk County Assessor's Office property record card for each parcel. The following table summarizes these properties.

Address	Gross Living Area (SF)	Basement Finish (SF)	Grade	Neighborhood Pocket	2021 Assessed Value	2021 Assessed Dwelling Value	2021 Assessed Dwelling Value/SF
Subject	1390	1138	3+00	AK02/C1	\$263,400	\$211,200	\$159.14
1 – 4708 NE Hayes Dr	1311	900	4+10	AK01/B4	\$237,300	\$187,600	\$143.10
2 – 2010 NW Lakeside Dr	1298	890	4+00	AK02/C	\$238,100	\$179,500	\$138.29
3 – 908 NW 21st Ct	1479	931	4+10	AK02/C1	\$240,700	\$205,500	\$138.95
4 – 807 NW 32nd St	1270	1039	4+05	AK02/C1	\$241,600	\$190,900	\$150.31
5 – 904 NE 41st St	1280	920	4+10	AK02/B1	\$244,200	\$178,500	\$139.45
6 – 1815 NW Lakeside Dr	1364	900	3-05	AK02/C	\$246,100	\$194,200	\$142.38
7 – 1116 NW 26th St	1375	1050	4+10	AK02/C1	\$246,900	\$199,100	\$144.80
8 – 809 NW Reinhart Dr	1400	1000	4-10	AK02/C5	\$247,300	\$175,900	\$125.64
9 – 1816 NE Oak Dr	1263	947	4+05	AK01/E	\$248,000	\$175,400	\$138.88
10 – 2511 NW Northpark Dr	1375	1100	4+10	AK02/C1	\$248,100	\$200,300	\$145.67
11 - 2426 NW Ashland Pkwy	1434	980	4+10	AK02/C1	\$250,100	\$202,400	\$141.14
12 - 801 NW 22nd St	1358	987	4+05	AK02/C1	\$251,100	\$197,200	\$145.21
13 - 1915 NW Prairie Lakes Ct	1302	900	3-05	AK02/C	\$252,200	\$197,100	\$151.38
14 - 233 NE 49th St	1293	1000	4+05	AK01/B1	\$252,800	\$194,700	\$150.58
15 - 4815 NE Trilein Dr	1340	1000	4+05	AK01/B1	\$253,100	\$195,100	\$145.60
16 - 709 NW 20th St	1381	900	4+10	AK01/D	\$253,500	\$208,100	\$150.69
17 - 3404 NW 13th St	1406	943	3+05	AK03/B2	\$253,700	\$206,600	\$146.94
18 - 2434 NW Ashland Pkwy	1389	1018	4+10	AK02/C1	\$253,800	\$199,200	\$143.41
19 - 2317 NW Maple St	1442	1000	4+10	AK01/D	\$255,900	\$204,000	\$141.47
20 - 3123 NW 15th St	1550	1092	3+00	AK03/B2	\$258,400	\$191,700	\$123.68

The properties possess several points of difference that impact their assessments. The properties range in year built from 2003 to 2011, with the subject property being built in 2008. This would have an impact on the amount of physical depreciation applied to their assessments, with older properties having more depreciation. The subject property has more basement finish than all of the other properties. All but Comparable 20 have a lower grade than the subject's 3+00 grade. Finally, many of Parks' comparable properties were located in different neighborhood

pockets. Differing grades, as well as differing neighborhood pockets, would impact the individual assessments.

Only 3 of the properties recently sold; the remaining properties most recent sale was multiple years ago.

Address	Gross Living Area (SF)	Basement Finish (SF)	Grade	Neighborhood Pocket	2019/2020 Sale Price	2021 Assessed Value	2021 Assessed Dwelling Value	2021 Assessed Dwelling Value/SF
Subject	1390	1138	3+00	AK02/C1	NA	\$263,400	\$211,200	\$159.14
15 - 4815 NE Trilein Dr	1340	1000	4+05	AK01/B1	11/2020 \$266,500	\$253,100	\$195,100	\$145.60
16 - 709 NW 20th St	1381	900	4+10	AK01/D	4/2020 \$265,000	\$253,500	\$208,100	\$150.69
19 - 2317 NW Maple St	1442	1000	4+10	AK01/D	4/2019 \$268,500	\$255,900	\$204,000	\$141.47

Each of the sales are slightly older than the subject; 2006 and 2003 respectively. Each has a lower grade than the subject; 4+05 or 4+10 versus the subject's 3+00 grade. Finally, each of the sales were located in different neighborhood pockets. Like all of the other comparables, these differences impact the individual assessments. Each of the properties sold for more than their assessed values, and for more than the subject's current assessed value. The assessed-value-to-sales price ratio for each of the three sales was 0.95 to 0.96. A ratio below 1.00 is indicative of assessments less than actual market value.

Parks did not adjust any of the properties for differences between them and the subject. Nor did he offer any other evidence of the subject's market value, such as a competent appraisal or a comparative market analysis.

To support the assessment the Board of Review offered eleven comparable sales of properties all located in the subject's neighborhood pocket. They are summarized in the following table.

Address	Gross Living Area (SF)	Basement Finish (SF)	Grade	Sale Date	Sale Price	Assessment/Sale Ratio Reported by BOR
Subject	1390	1138	3+00			
922 NW 39th St	1477	1177	3+00	05/2020	\$299,000	0.94
3804 NW Kline St	1355	0	3+00	12/2020	\$242,000	0.92
903 NW 37th Ct	1388	810	3+00	08/2020	\$265,000	0.99
904 NW 37th Ct	1548	0	3+10	06/2019	\$315,000	0.86
908 NW 37th Ct	1451	1000	3+05	02/2020	\$265,500	1.01
915 NW 39th St	1435	1100	3+00	12/2020	\$304,900	0.88
3821 NW Kline St	1477	60	3+05	06/2019	\$297,000	0.91
3805 NW Kline St	1443	1000	3+00	06/2019	\$277,700	1.00
3721 NW Kline St	1470	1138	3+00	07/2020	\$295,000	0.97
1015 NW 32nd St	1479	974	4+10	06/2020	\$289,500	0.90
3709 NW Kline St	1355	1050	3+00	04/2021	\$285,000	0.96

All, but one of the Board of Review's sales have a similar grade as the subject. They also possess similarities in age, size, and style to his home. (Exs. D & E). These properties had 2019, 2020, and 2021 sale prices ranging from \$242,000 and \$315,000; all but one higher than the subject's current assessed value. The Board of Review appears to have calculated an assessment/sales ratio, but the 2021 assessments of its comparables do not appear in the record so we cannot verify these figures. (Ex. D).

The Board of Review contends that Parks did not meet his burden of proof and the evidence it supplied demonstrates the subject's assessment is equitable.

Analysis & Conclusions of Law

Parks claims that the subject property's assessment was not equitable as compared with the assessments of other like property in the taxing district. § 441.37(1)(a)(1)(a).

Under section 441.37(1)(a)(1)(a), a taxpayer may claim that their "assessment is not equitable as compared with assessments of other like property in the taxing district." To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Parks

asserts that the assessed value of his dwelling is higher than his comparable properties and that this demonstrates inequity. While Parks wishes to focus solely on the dwelling values, Iowa Courts have concluded the “ultimate issue...[is] whether the *total* values affixed by the assessment roll were excessive or inequitable.” *Deere Manufacturing Co. v. Zeiner*, 78 N.W.2d 527, 530 (Iowa 1965); *White v. Bd. of Review of Dallas County*, 244 N.W.2d 765 (Iowa 1976) (emphasis added). Thus, while we will address his concerns, we must focus on whether Parks has demonstrated the subject’s total assessment is inequitable.

As noted above, differences in age and quality of construction come into play in the assessment process. Variations in site size and neighborhood also impact total assessed values. Moreover, simply comparing assessed values or assessed values per square foot is not a recognized method for demonstrating inequity under Iowa law. For the foregoing reasons, the record does not demonstrate any improper variation in assessment methodology among comparable properties and Parks’ claim fails under the *Eagle Foods* test.

Alternatively, a taxpayer may demonstrate inequity by showing the property is assessed higher proportionately than other like properties using criteria set forth in *Maxwell v. Shivers*, 133 N.W.2d 709, 711 (Iowa 1965). The *Maxwell* test provides inequity exists when, after considering the actual (2020) and assessed (2021) values of similar properties, the subject property is assessed at a higher proportion of its actual value. *Id.* This is commonly done through an assessment/sales ratio analysis comparing prior year sales (2020) and current year assessments (2021) of the subject property and comparable properties.

Only three of Parks’ comparable properties have recently sold. A review those properties indicates an assessment/sale ratio of 0.95 to 0.96; generally reflecting that assessments are slightly below market values. Those properties, however, are slightly older, of lower quality (Grade), and are located in different neighborhoods, which impacts their value.

In addition to ratios for his comparables, Parks must also demonstrate the actual value of the subject property. However, he did not offer any competent evidence of the

subject's market value, which is typically done with an appraisal, a comparative market analysis, or recent sales adjusted for differences to the subject. Accordingly, the *Maxwell* analysis cannot be completed.

The Board of Review, conversely, submitted sales in the subject property's neighborhood (map area). All but one of these properties sold for more than the subject property's current assessment. This information, though not adjusted to account for some differences between the subject property and the sales comparables, appears to support the subject's assessment.

Viewing the record as a whole, we find Parks has failed to prove his claim.

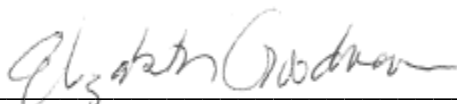
Order

PAAB HEREBY AFFIRMS the Polk Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2021).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.


Elizabeth Goodman, Board Member


Dennis Loll, Board Member


Karen Oberman, Board Member

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Polk Board of Review by eFile